

TRANSLATION

Superintendency of Banks

RESOLUTION S.B.P. No. 187-2009

(dated 17 August 2009)

THE SUPERINTENDENT OF BANKS

In use of his legal powers, and

CONSIDERING:

That **STANFORD BANK (PANAMÁ), S.A.** is a corporation filed under Micro jacket 427208, Document 419999 in the Microfilm (Mercantile) Section of the Public Registry of Panama and the holder of a General License granted by means of Resolution 33-2005 dated 1 April 2005 issued by the Superintendency of Banks;

That by means of Resolution S.B.P. No. 057-2009 dated 17 February 2009 and based on the provisions in Articles 131 and 132 of the Banking Law, the Superintendency of Banks of Panama ordered the Seizure of Administrative and Operating Control of **STANFORD BANK (PANAMÁ), S.A.** at seven in the morning (7:00 a.m.) on the eighteenth (18th) of February 2009;

That subsequently, based on exceptional circumstances and having received a justified request from the Interim Administrator, the Superintendency extended the period of the Seizure of Administrative and Operating Control of **STANFORD BANK (PANAMÁ), S.A.** for thirty (30) additional days by means of Resolution S.B.P. 077-2009 dated 19 March 2009,;

That by means of Resolution S.B.P. 104-2009 dated 17 April 2009 and based on Paragraph I, Subparagraph 4 of Article 16 and Article 141 of the Banking Law, the Superintendency, ordered the reorganization of **STANFORD BANK (PANAMÁ), S.A.**, to be completed within a sixty (60) day period, in order to protect the best interests of the depositors and creditors of the Bank;;

That based on the exceptional justification provided by the Reorganizer and as permitted by Paragraph 3 of Article 142 of the Banking Law, the Reorganization period specified in Resolution S.B.P. 104-2009 dated 17 April 2009 was extended for 60 additional days beginning at 7:01 a.m. on 19 June 2009, pursuant to Resolution 140-2009 dated 18 June 2009;

That among the reasons considered for ordering the reorganization of **STANFORD BANK (PANAMÁ), S.A.** and the extension above, was allowing for the submission of offers for the acquisition of 100% of the shares of the Bank. Within a general negotiation framework, this led to the evaluation of several proposals by the Custodian appointed by the District Judge in Dallas, Texas, United States of America, who exercises the economic rights over the shares of the holding company to which **STANFORD BANK (PANAMÁ), S.A.** belongs;

That the negotiations leading to finalizing the sale, among others, of the shares of **STANFORD BANK (PANAMÁ), S.A.**, resulted in the **acceptance** by the above Custodian of the proposal presented by a group of investors;

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That in this regard, the Superintendency of Banks has issued a preliminary opinion of “no objection” on the transfer of the referenced shares to the investors mentioned above, who commit themselves to provide the additional information and requirements in Rule 1-2004 in order to obtain an authorization from this Superintendency –after the relevant analysis– to enact the acquisition of the shares of **STANFORD BANK (PANAMÁ), S.A.**;

That should the Superintendency formally authorize the acquisition of shares under Rule 1-2004, it would also require a reasonable period of time to conclude the transfer of the shares of the Bank to its new shareholders on the one hand, and, on the other, the orderly resumption of **STANFORD BANK (PANAMÁ), S.A.** operations pursuant to a program duly coordinated and authorized by the Superintendency and maintaining the main objective of safeguarding the interest of depositors and creditors;

That today, prior to the expiration of the sixty (60) day period referred to above and based on the exceptional justification above, the Reorganizer of **STANFORD BANK (PANAMÁ), S.A.** appointed by the Superintendency has requested an extension of the reorganization period, as permitted by the Banking Law;

That, notwithstanding the above, during the time the **STANFORD BANK (PANAMÁ), S.A.** was under Administrative and Operating Control and, subsequently, under Reorganization by the Superintendency, the Interim Administrator, during his tenure, and the Reorganizer, during the subsequent period, have taken those measures necessary in the different jurisdictions to attempt to lift the measures currently affecting the availability of a share of the Bank’s assets;

That to date, as shown in the Report issued by the Reorganizer, the sum deposited in the Banco Nacional de Panamá has been made available and the Superintendency of banks, through the Reorganizer of **STANFORD BANK (PANAMÁ), S.A.** continues to work on the repatriation of invested assets so that all of the bank’s assets will soon be available;

That after analyzing and assessing the Report above and the ongoing sale process, as well as the request submitted by the Reorganizer, the Superintendency, based on Paragraph 3 of Article 142 of the Banking Law, has deemed it advisable and necessary to extend the Reorganization period of **STANFORD BANK (PANAMÁ), S.A.** for the reasons stated above and to allow the process already begun to run its course, in order to satisfactorily conclude the Reorganization of the Bank;

That, pursuant to Paragraph I, Subparagraph 4 of Article 16 of the Banking Law, the Superintendent may order the Reorganization of Banks for the reasons stated in that Law;

RESOLVES:

FIRST: **TO EXTEND** the **Reorganization of STANFORD BANK (PANAMÁ), S.A.**, a corporation filed under Micro jacket 427208, Document 419999 in the Microfilm (Mercantile) Section of the Public Registry of Panama and the holder of a General License granted by means of Resolution 33-2005 dated 1 April 2005 of the Superintendency of Banks, for a term of ninety (90) additional days after the expiration of the period indicated in Resolution S.B.P. 140-2009 dated 18 June 2009, i.e. **at 7:01 a.m. on 18 August 2009**, for the purpose of permitting the conclusion of the transfer of the shares of the Banks to its new shareholders, the satisfactory conclusion of the Reorganization and the orderly resumption of the Bank’s operations.

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SECOND: **TO MAINTAIN** the appointment of Mr. **JAIME DE GAMBOA GAMBOA**, married, adult Colombian male, with personal identification card No. E-8-95145 and domiciled in Panama City, as Reorganizer of **STANFORD BANK (PANAMÁ), S.A.** while the Reorganization process of the Bank is concluded.

THIRD: **TO MAINTAIN** the operations of **STANFORD BANK (PANAMÁ), S.A.** suspended while the Reorganization process of the Bank is concluded.

FOURTH: **TO ORDER** posting of a Notice containing a transcription of this Resolution in a public and visible place in the Bank's main office and its branch offices for five (5) business days.. Also to keep a copy of this Resolution posted in all of the bank's establishments during the period of the Reorganization.

FIFTH: **TO ORDER** the publication of this Resolution in a newspaper with nationwide circulation for five (5) business days.

SIXTH: **TO ORDER** the Public Registry to make the relevant marginal annotation in order to file the extension of the Reorganization period for ninety (90) additional days and also to maintain the marginal annotation that Mr. **JAIME DE GAMBOA GAMBOA** is still the Legal Representative of **STANFORD BANK (PANAMÁ), S.A.** as Reorganizer of the Bank.

SEVENTH: This Resolution may only be challenged by means of a contentious administrative appeal to the full membership of the Third Chamber of the Supreme Court of Justice, but the appeal cannot suspend or stay the administrative act.

EIGHTH: This Resolution shall become effective at the expiration of the term being extended herein, i.e. **at 7:01 a.m. of 18 August 2009.**

LEGAL GROUNDS: Article 16, Paragraph I, Subparagraph 4; Articles 140, 141 and following articles of the Banking Law. (Decree Law 9 of 1998, amended by Decree Law 2 dated 22 February 2008 and consolidated in Executive Decree 52 dated 30 April 2008).

Given in the City of Panama on the seventeenth (17th) day of August, two thousand nine (2009).

FOR COMMUNICATION, PUBLICATION AND ENFORCEMENT,

Olegario Barrelier
Superintendent

/jca